



BAY-310

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Patent Application of

BAYCHAR

Serial No. 08/910,115

Group Art Unit: 1771

Filed: August 13, 1997

Examiner: C. Juska

For: WATERPROOF/BREATHABLE TECHNICAL APPAREL

RESPONSE TO RESTRICTION REQUIREMENT

Commissioner for Patents
Washington, D.C. 20231

Sir:

In response to the Restriction Requirement mailed January 15, 2003, Applicant elects to prosecute the invention defined by the Examiner as Group II, including claims 1-4, 7-10, 13, 20-28, 31, 32, 34 and 45-105. This election is made with traverse. In addition, Applicant elects Species B, as identified by the Examiner, directed to encapsulation. All of the claims of Group II are readable on this species.

UPDATE ON THE STATUS OF LITIGATION

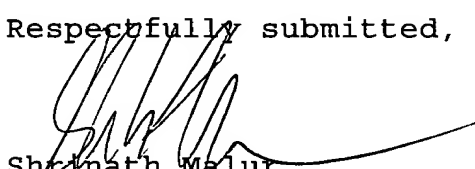
Applicant hereby informs the Examiner that a settlement has been reached between Applicant and Defendant Schoeller Textil AG, Schoeller Textil USA, Inc., and Schoeller Frisby Technologies, GmbH as evidenced in the attached Consent

RECEIVED
MAR 21 2003
FC 1/00 MAIL ROOM

#34

Judgement ordered on February 3, 2003. In the consent agreement, Defendants agree that U.S. Patent No. 6,048,810 is valid and enforceable. The litigation between Plaintiff and Outlast Technologies, Inc. is still pending.

Respectfully submitted,



Shrinath Malur
Registration No. 34,663
Attorney for Applicant

MATTINGLY, STANGER & MALUR
1800 Diagonal Rd., Suite 370
Alexandria, Virginia 22314
(703) 684-1120
Date: March 14, 2003